

COMPARISON OF DIFFERENCES BETWEEN H.R. 2851 AND H.R. 2873 AND
RETIREMENT ACT OF 1930

Provision	Retirement Act of 1930	H.R. 2851 and H.R. 2873
1. Deposits	accrued interest charged <u>3%</u> interest accrues at <u>4%</u> of sums to Dec., 1947; <u>3%</u> thereafter	
2. Optional retirement eligibility	a. age 60 & 30 yrs. service b. age 62 & 15 yrs. service c. age 55 & 30 yrs. service with reduced annuity	a. 60 & 15 yrs. service b. age 55 & 30 yrs. service with reduced annuity
3. Time limit for filing within 6 months; within disability application 1 yr. in certain cases		
4. Immediate retirement after involuntary separation	25 yrs. service (any age)	a. 25 yrs. service (any age) b. <u>20 yrs. service & age 50</u>
5. Computation of annuities	a. $1\frac{1}{2}\%$ of average salary for highest, consecutive 5 yrs. X total service, or b. 1% of average salary for highest, consecutive 5 yrs. & \$25 X total service	a. Same b. 1% of average salary for highest, consecutive 5 yrs. & <u>\$30 X total service</u> c. <u>Minimum--in cases of disability and in computations of employee annuities for purpose of figuring widows' annuity, the lesser of (1) 40% of average salary or (2) sum obtained by increasing total service of employee for computation purposes by period between separation and date becomes age 60</u>
6. Reduced annuity & benefit to person named	named person must have insurable interest in annuitant	no provision
7. Survivor annuities by operation of law	employee or retiree must have minimum of 5 yrs. civilian service preceding his death	insured employee must have $1\frac{1}{2}$ yrs. civilian service preceding his death

8. Amt. of annuities of surviving child of employee or retiree
- a. If widow survives, least of:
 - (1) $\frac{1}{2}$ widow's benefit
 - (2) 900+ number of children
 - (3) or \$360
 - b. if no widow survives, least of:
 - (1) amt. equal to widow's benefit if she had survived
 - (2) \$1,200+number of children
 - (3) or \$480
9. Conditions of eligibility for annuity by surviving widow
- one condition is that the widow be married at least 2 yrs. immediately preceding person's death or mother of his child
- condition is 1 yr. or mother of child
10. Lump-sum benefits
- a. payment of any balance remaining after termination of all annuity claims consisting of unpended deductions & accrued interest (at 4% to Dec. 1947 & 3% thereafter)
 - b. employee less than 5 yrs. service - refund only; 5-20 yrs. - optional; over 20 yrs.- no refund, annuity only
- a. payment of unrefunded amt. consisting of deductions to Jan. 1952; deposits, less interest to Jan. 1952; and amt. equal to 6% of annual rate (compute by averaging salary rates after Jan. 1952, with each rate weighted by time it was in effect) X total service after Jan. 1952.
 - b. any employee separated before eligibility for immediate annuity shall be paid lump-sum credit. Receipt of payment does not void surviving children and widow benefits if he dies (an insured employee is one who has completed $1\frac{1}{2}$ yrs. of civilian service within 3 yrs. immediately preceding his death.)

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11. Re-employment of annuitants over age 60 annuitant must have special qualifications annuitant must have special qualifications and serves at will of appointing authority
12. Adjustment of prior rights
- a. each annuitant or person entitled to annuity as of enactment of Act will receive increase of \$160+\$16 for each 2 full months between beginning of annuity & date of this Act. Maximum increase not to exceed \$500 nor increase above that which causes total annuity over \$2800
 - b. survivor annuity, except for children not designated by annuitant, increased \$160
 - c. Survivor annuity commencing after Act, based on service of former employee who terminated before date of Act, increased \$160
 - d. child annuity, however, that is based on service and not election of employee increased to \$720. Maximum not to exceed \$1440 divided by number of children receiving annuity
 - e. employees who acquire title to annuity and separate before date of Act shall have amount of annuity determined by Act less $\frac{1}{2}\%$ for each full month under age 62
13. Administration - Board of Actuaries CSC to select 3 actuaries, one of whom shall be the government actuary no requirement for appointment of government actuary

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